

82-83

1982-1983 PROGRESS REPORT

STATE OF ARIZONA

ARIZONA DEPARTMENT OF TRANSPORTATION

AERONAUTICS DIVISION

SEPTEMBER 14, 1983

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HISTORY

The history of the Arizona Department of Transportation, Aeronautics Division, begins with the creation of the Arizona Aviation Authority in March of 1950. The Authority originally consisted of an unpaid board of five members serving three-year terms. The primary purpose of the board was to advise the Governor and the legislature on aviation matters.

In May of 1955, a part-time director was appointed. Later that same year, the position became full-time. The Authority started monthly publication of a newsletter in 1956 and an airmarker program to aid in cross-country navigation in 1958. By 1959, the Authority had begun assisting communities in developing airfields. In 1962, the legislature created the Arizona Department of Aeronautics and appropriated funds to assist in construction of a Grand Canyon National Park Airport. Construction design began in 1963, and the airport officially opened two years later.

The old Department of Aeronautics was controlled by a seven-member Aeronautics Board. The Board members were appointed to five-year terms by the Governor and the Senate. The primary function of the Board was to budget funds for airport development.

In 1974, the Departments of Aeronautics, Highways and Motor Vehicles were combined to form the present-day Arizona Department of Transportation.

AUTHORITY AND RESPONSIBILITY

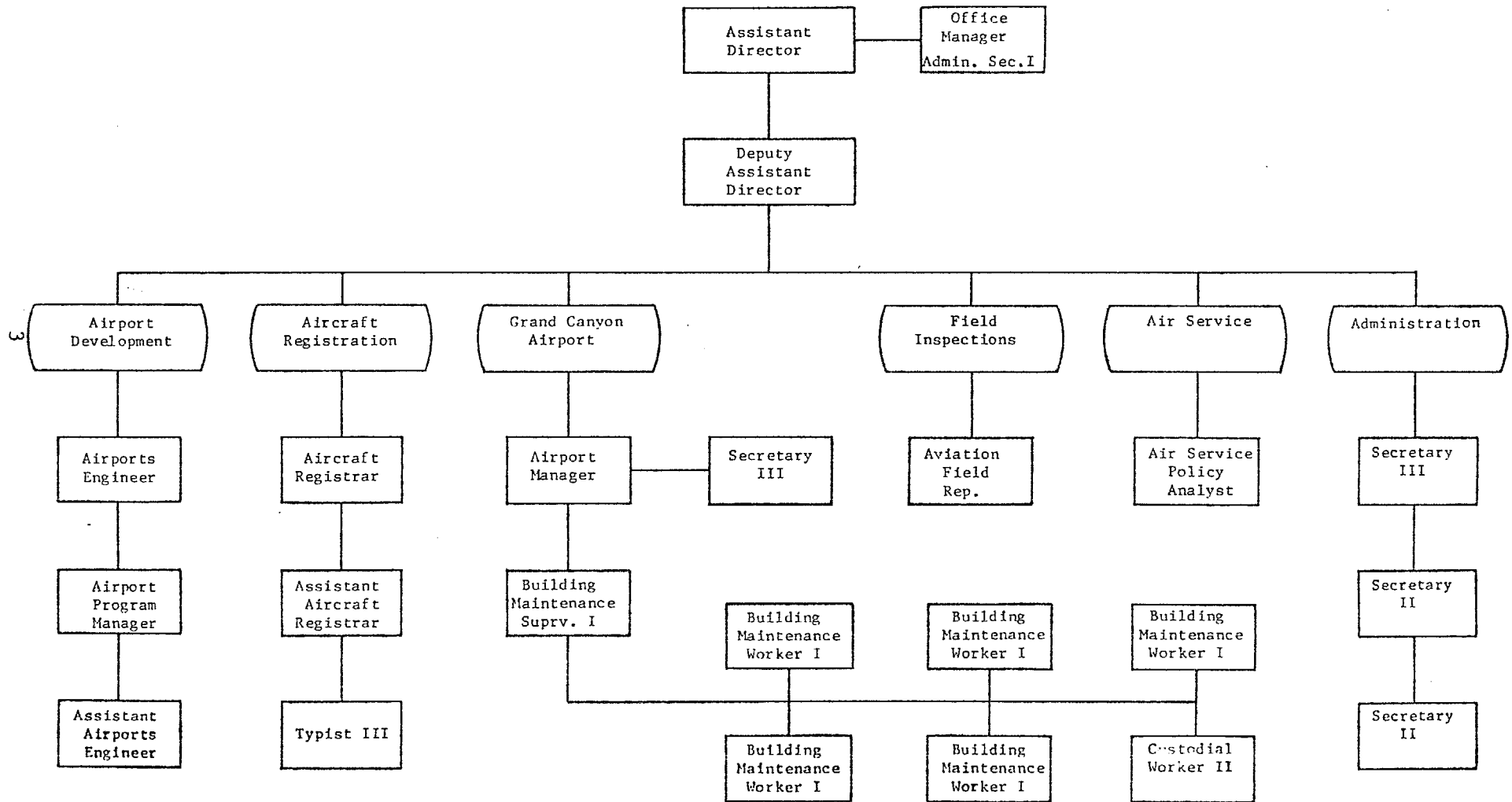
The Department is composed of five divisions; Aeronautics, Highways, Transportation Planning, Motor Vehicles and Administrative Services. The Aeronautics Division is charged by state law to: encourage and advance the safe and orderly development of aviation in the state; assemble and distribute to the public information relating to aviation; represent the state on issues of routing and rate schedules concerning commercial airline traffic; accept federal and other monies for airport development or air navigation facilities; operate the Grand Canyon National Park Airport, certificate aircraft dealers; register non-airline aircraft within the state, and make recommendations on legislative and policy issues. For statutory references, see Arizona Revised Statutes, Title 28, Chapter 12.

The Division has recently been successful in obtaining legislation to allow for the leasing of the Grand Canyon Airport to a management company which specializes in such operations. We have also obtained new legislation to allow the division to deregulate the commercial flight operators and flying clubs. In the past three years, the division has recommended changes in the aircraft registration statutes to clarify the language and strengthen the enforcement. Additionally, a law was passed in 1979 to administratively earmark aviation gas at the point of entry into the state in order to collect previously unidentified aviation gas taxes. This statutory change increased aviation gas tax revenue by approximately \$50,000 per year.

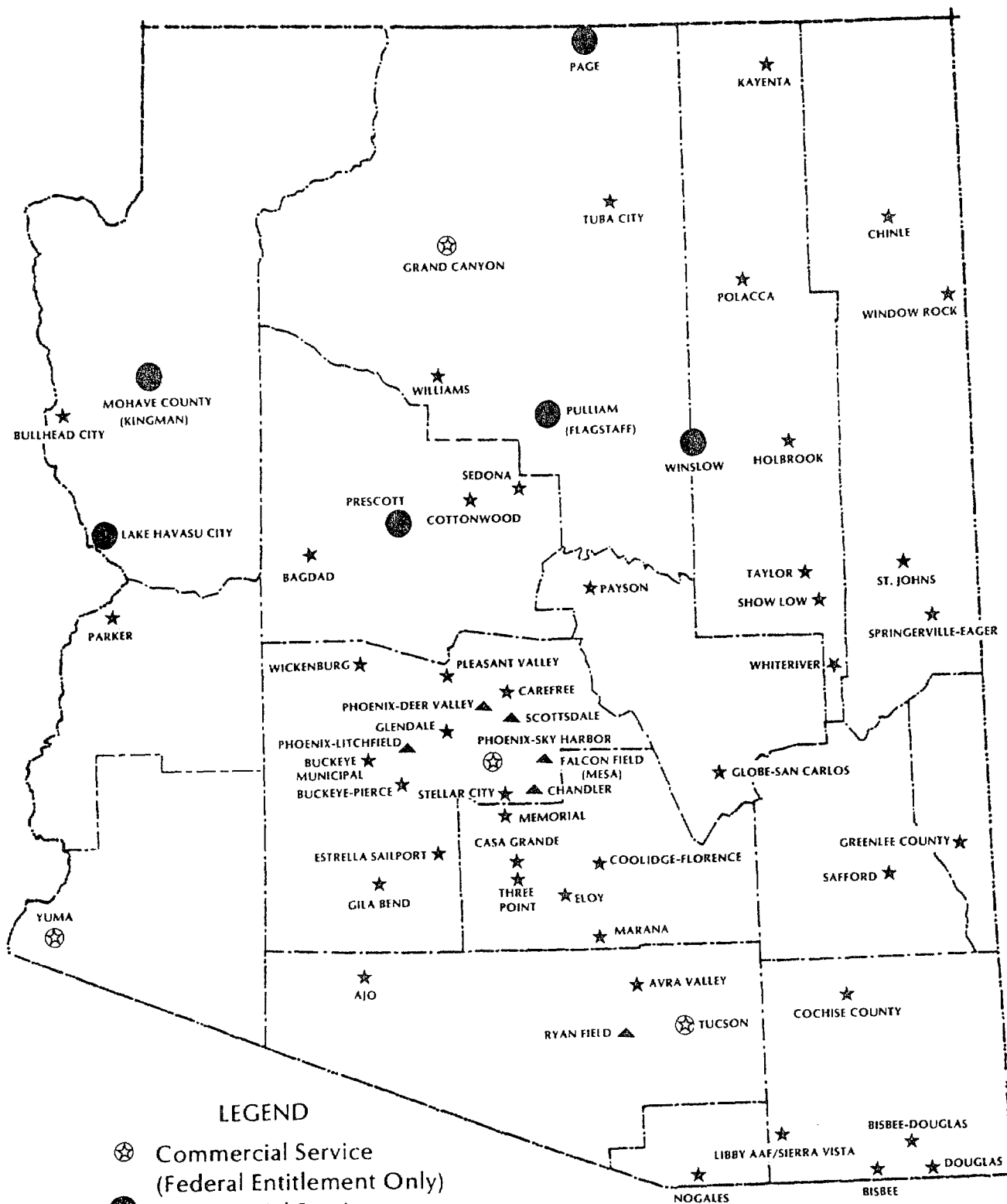
ARIZONA DEPARTMENT OF TRANSPORTATION

AERONAUTICS DIVISION

ORGANIZATIONAL CHART



PRIMARY SYSTEM AIRPORTS



AIRPORT DEVELOPMENT

The Airport Development section is responsible for the administration of the statewide 5-Year Airport Development Program. The administration of this program involves:

- 1) Systematic planning coordination to insure logical and equitable growth for all public-owned and public-use airport facilities within the state.
- 2) Funding aid and assistance to airport sponsors.
- 3) Technical support for airports and airport projects.
- 4) Grand Canyon Airport construction projects.

PLANNING

The planning process for the 5-Year Airport Development Program focuses on an extensive evaluation of needs, directed toward developing an improvements program consistent with the goals established in the recently published State Airport System Plan. Needs are then related to anticipated funds to arrive at a financially balanced program that makes the best use of available aviation dollars.

FUNDING

Airport construction and development in Arizona is accomplished through a cooperative effort involving three levels of government - federal, state and local. Each of these governmental units has shared in the financing of airport development projects in the state.

The Federal Assistance for Airport Program when viewed in average dollars allocated per year, has increased 75% from 1970. From 1974 to 1982, the program's average dollars allocated figure for Arizona has increased by 84%. This is a measure of the growth of aviation in Arizona and the success of the division in obtaining discretionary funding from the FAA. Figure #1 depicts this graphically.

If present revenue sources remain the same, only a small growth in state aviation revenues can be anticipated over the next five years. Unless new sources are found, the projected economic outlook for the state's airports is dire. A recently completed study indicates a short fall in revenues of approximately \$62,000,000 over the next ten years, not including the needs for the two major airports of Sky Harbor International and Tucson International. The estimated needs for these two airports is approximately 100 million dollars for the ten year period.

At the local level, funds for airport development may come from several sources. General fund contributions, revenue on general obligation bonds, user taxes and revenues from airport leases and concessions are among the primary sources of funding. However, in terms of airport needs, the local communities will be unable to keep pace without increased Federal or State assistance. Under the current program, the local sponsor provides a matching share of just under five percent on federal participating projects and ten percent on state/local projects.

The number of projects being administered has increased dramatically. From FY 1973 to FY 1978, the average number of projects completed each year was eleven. By 1980, the total number of projects completed increased to 39, an increase of 250%. Fiscal year 1982 brought 24 completed projects and in fiscal year 1983, 27 projects were finished. Forecasts for fiscal year 1984 indicate approximately 50 projects will close. Figure #2 highlights this growth.

Additionally, state expenditure amounts have increased as Figure #3 indicates. From FY 1973 to FY 1977, an overall annual expenditures amount averaged \$138,600.00. In the next 5-Year period, from FY 1978 to FY 1982, the average yearly expenditure increased to \$1,269,000.00, an 800% increase over the previous five years. The FY 1983 state expenditures for closed projects fell short of \$2.5 million. FY 1984 forecasts indicate closed project expenditures in the range of \$5 million.

PROJECT NARRATIVE

All airport construction projects funded through the 5-Year Airport Development Program are subjected to constant technical review and monitoring from design through construction. During the design phase, the Airport Development Group assists sponsors in locating and interpreting design criteria. Also, engineering agreements, plans, specifications and contract documents are reviewed for compliance with state grant requirements.

As the project progresses to the construction phase, the Airport Development section reviews bid tabulations, performs field inspections of work during construction, reviews field and laboratory procedures and test results and analyzes and approves change orders. At the conclusion of the project, a final inspection is performed. As-built plans and certified final quantities are required before final payment is made. Projects are audited as needed to ensure compliance with grant and contractual requirements.

The Airport Development Group also provides technical support for special aeronautical studies and the development of conceptual airport plans. Local sponsors may, at any time, receive technical comment in the development of their airports.

TECHNICAL ASSISTANCE

Extensive technical assistance is provided to local airport sponsors with the objective of improving construction quality, decreasing construction costs, and simplifying administrative procedures through all stages of the project.

Construction quality is upgraded by the review of plans and specifications by the group's engineering section, improved requirements for field and laboratory testing of materials and by the initiation of a record sampling program through the cooperation of the Highways Division.

Construction costs are being decreased by encouraging the use of locally available mineral materials, rather than using nationally developed FAA specifications which may require special crushing or extensive transportation. Construction of experimental pavements using less expensive binders such as sulfur is also being encouraged. The sponsor's administrative burden has been reduced by providing assistance through the airports program section in fulfilling both State and Federal requirements. Where possible, forms already required by the Federal Government are used for state needs, reducing duplication of effort. Where state forms must be used, they have been developed with the objective of also being able to use them as worksheets. A minimum of new regulations have been promulgated, however, existing statutes and regulations have been vigorously enforced.

GRAND CANYON AIRPORT CONSTRUCTION

The Airport Development Group is also in charge of engineering and administering construction projects at the state-owned Grand Canyon Airport. All funding, pavement and project authorizations are processed by the Section.

All engineering phases of construction work undertaken at the Grand Canyon Airport are either performed directly by this office, as in design and contract administration, or coordinated with personnel directly on site, as in progress inspections, utilizing assistance from the Highways Division.

State Aviation Fund Dollar Allocation
1982-83

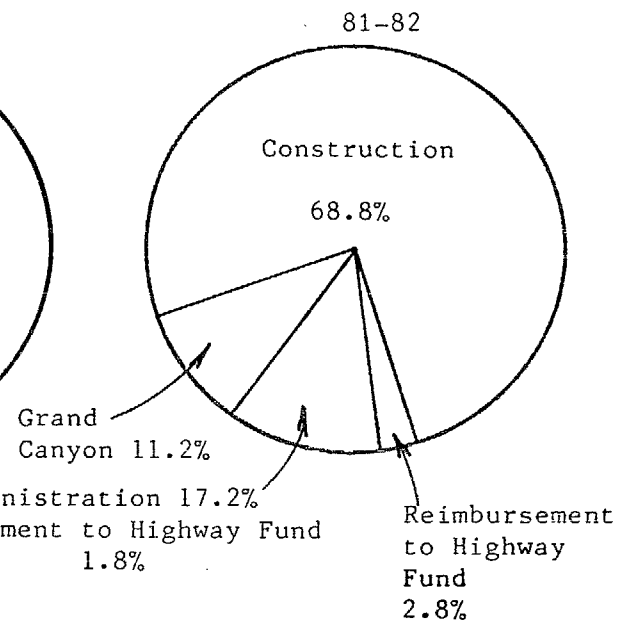
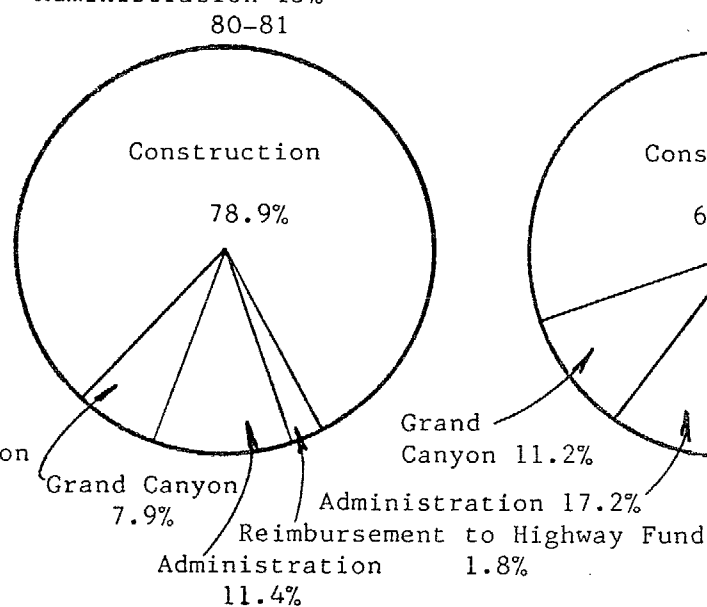
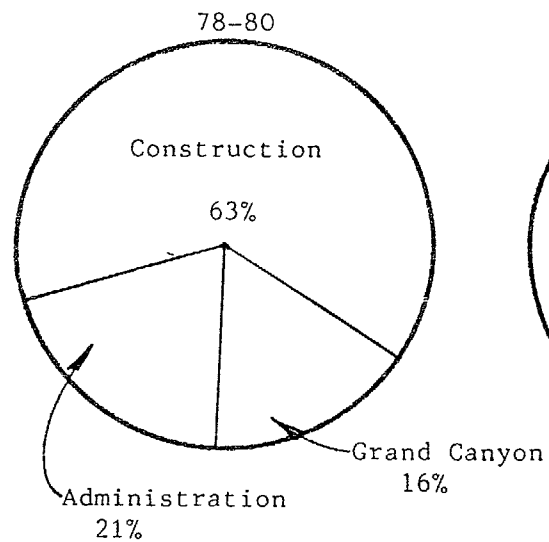
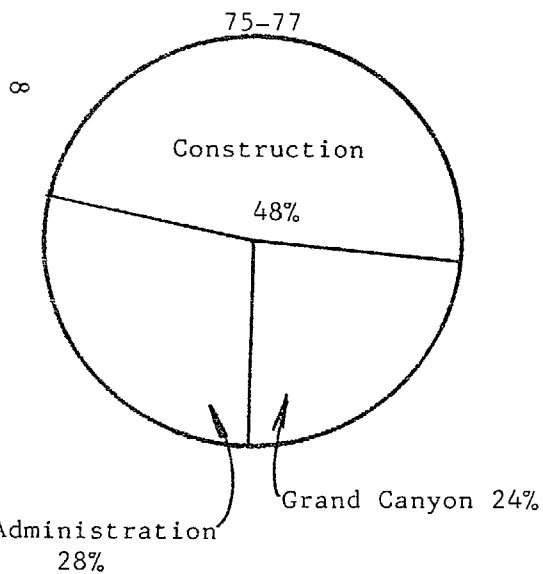
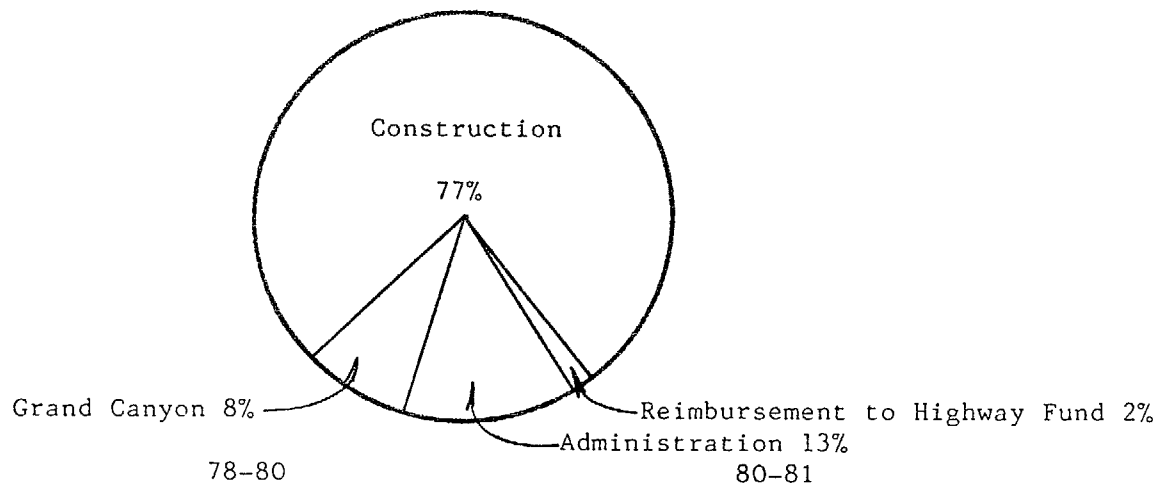


FIG. #2

ADOT - AERONAUTICS DIVISION
AIRPORT DEVELOPMENT AID PROGRAM
(FEDERAL AID)

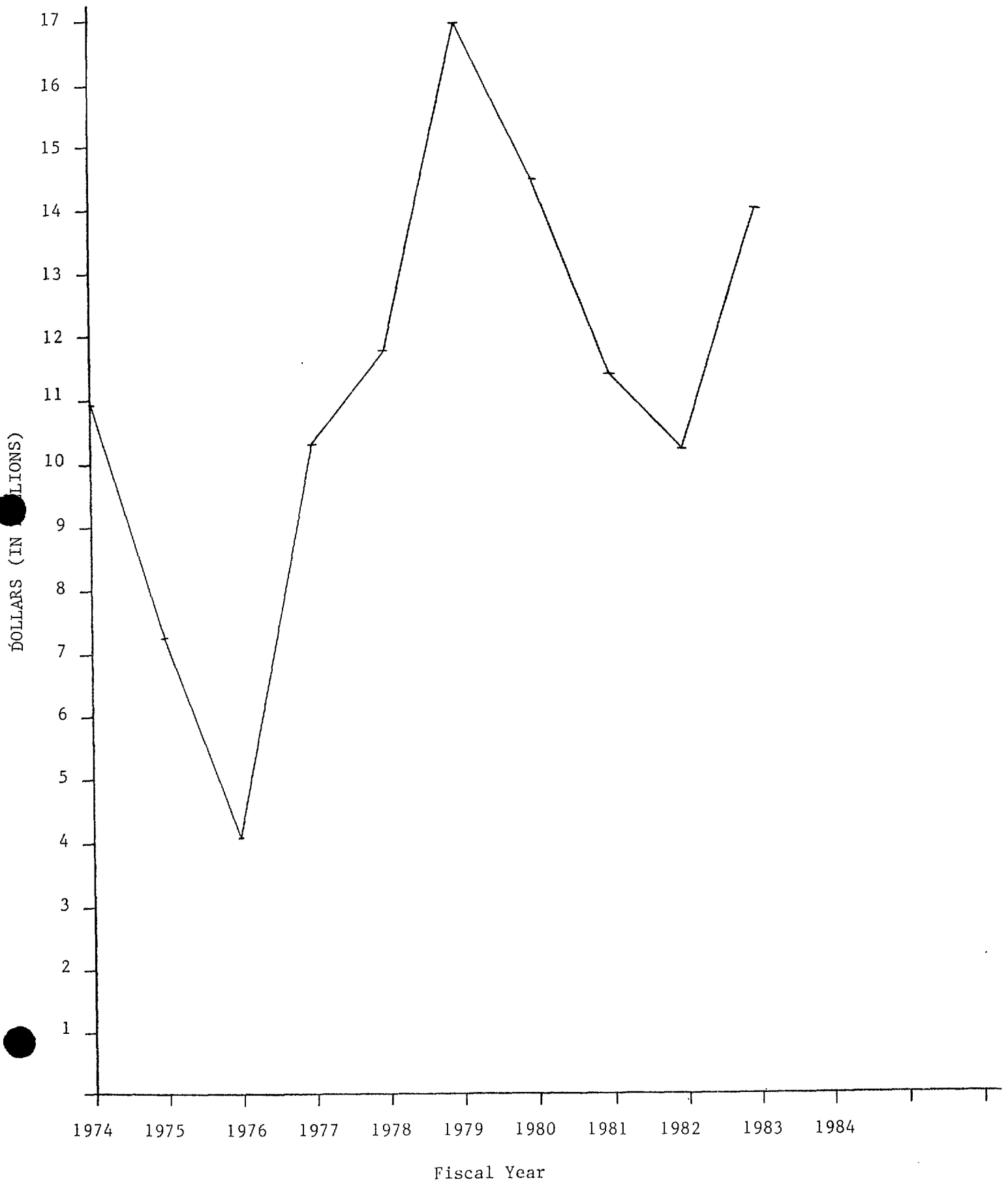


FIG. #2
ADOT-AERONAUTICS DIVISION
AIRPORT PROJECT ACTIVITY

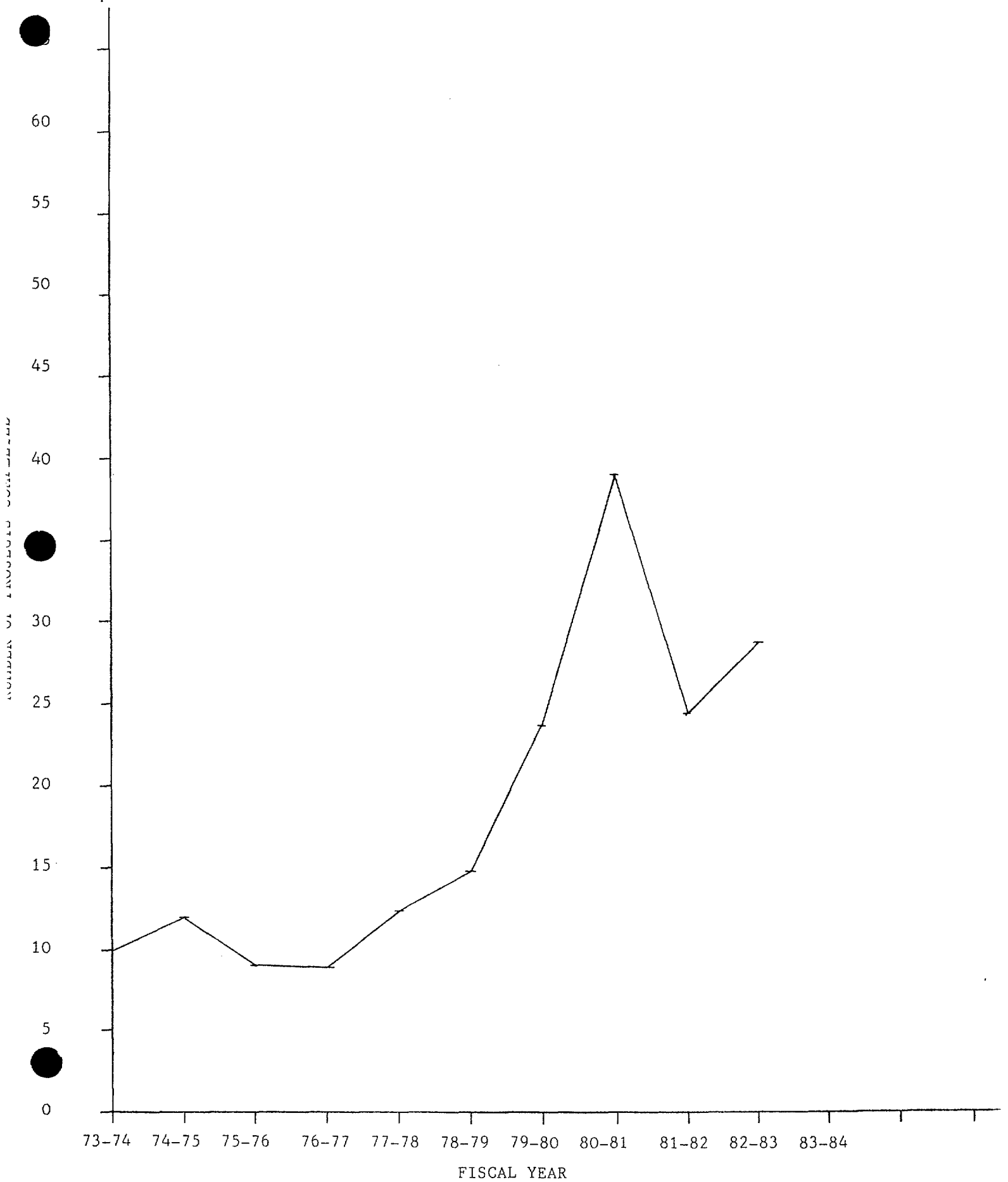
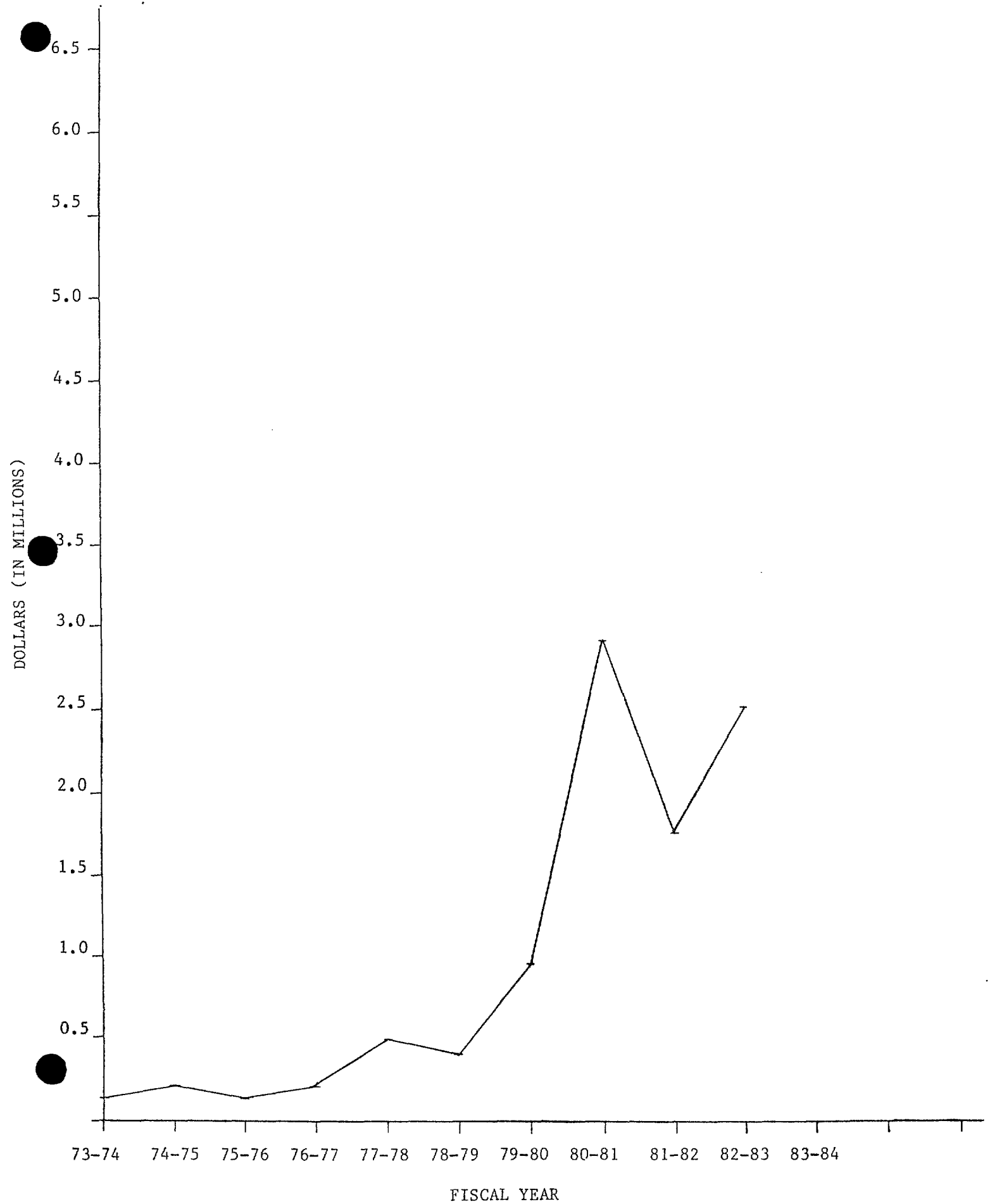


FIG. #4
ADOT AERONAUTICS
STATEWIDE AIRPORT PROJECTS
STATE FUNDS



CLOSED PROJECTS

1982-83 AIRPORT DEVELOPMENT

DATE	AIRPORT	FUND	DESCRIPTION	STATE	LOCAL	FEDERAL	TOTAL
08/82	GRAND CANYON	90592	SERVICE FACILITIES	260,558.81	-0-	-0-	260,558.81
09/82	ST. JOHNS	90547	SURFACE RUNWAY 2/20 & APRON	12,208.07	12,208.07	248,694.97	273,111.10
10/82	SASP	90573	PLANNING SERVICES	37,666.68	-0-	-0-	37,666.68
11/82	WILLIAMS	90561	MASTER PLAN	13,500.00	1,500.00	-0-	15,000.00
12/82	WINSLOW	90565	CONSTRUCTION UTILITIES	83,809.19	28,127.32	500,110.70	612,047.21
12/82	COCHISE COUNTY	90515	MASTER PLAN	52,875.16	5,875.02	-0-	58,750.18
01/83	PHOENIX-LITCHFIELD	90541	GDS APRON & ACCESS ROAD SECURITY FENCE	180,000.00	33,081.26	-0-	213,081.26
02/83	COLORADO CITY	90521	MASTER PLAN	29,021.40	3,224.60	-0-	32,246.00
02/83	TAYLOR	90555	SURFACE PARKING APRON STG II & RECON RUNWAY	242,900.00	31,790.19	-0-	274,690.19
02/83	PRESCOTT/ ERNEST A. LOVE	90543	RECON RUNWAY 3/21	73,446.07	73,757.63	1,499,370.34	1,646,574.04
04/83	GREENLEE COUNTY	90531	SURFACE CROSSWING RUNWAY	1,900.04	-0-	-0-	1,900.04
04/83	PAGE	90703	GRADE, DRAIN & SURFACE APRON	13,046.00	14,221.58	279,775.97	307,043.55
05/83	DUNCAN	90523	MASTER PLAN	23,445.00	2,605.00	-0-	26,050.00
05/83	BAGDAD	90503	MASTER PLAN & ER	17,190.00	1,910.00	-0-	19,100.00
06/83	GLENDALE	90529	SURFACE RUNWAY	23,236.61	2,582.45	-0-	25,819.06
06/83	WICKENBURG	90559	SURFACE RUNWAY	71,004.42	7,889.38	-0-	78,893.80
06/83	AVRA VALLEY	90601	SURFACE RUNWAY 3/21	180,000.00	20,000.00	-0-	200,000.00
06/83	PHOENIX/ DEER VALLEY	90621	GDS APRONS & TAXIWAY	360,000.00	43,576.82	-0-	403,576.82
06/83	PULLIAM/FLAGSTAFF	90545	APRON & LIGHTING	3,547.35	6,960.59	107,030.48	117,538.42
06/83	PAYSON	90539	PARALLEL TAXIWAY	140,772.25	15,641.36	-0-	156,413.61
06/83	GRAND CANYON	90595	TERMINAL EXPANSION	361,077.54	-0-	457,692.38	818,769.92
06/83	BUCKEYE	90507	ODALS/DELS	26,591.76	2,954.64	-0-	29,546.40
06/83	ELOY	90617	SECURITY FENCE	11,304.00	1,256.00	-0-	12,560.00
06/83	RYAN/TUCSON	90641	SURFACE RUNWAY	162,495.61	18,055.07	-0-	180,550.68
06/83	SEDONA	90657	SURFACE RUNWAY	57,215.65	6,357.30	-0-	63,572.95
06/83	SPRINGERVILLE	90668	ENVIRONMENTAL ASSESSMENT	7,830.00	870.00	-0-	8,700.00
06/83	STATEWIDE	90571	AIRPORT RECON STUDY	33,000.00	-0-	-0-	33,000.00
TOTAL				\$2,479,641.60	\$334,444.28	\$3,092,674.84	\$5,906,760.72

AIRCRAFT REGISTRATION

The aircraft registration section is responsible for collection of an aircraft registration fee and a lieu tax of one percent of the average fair market value. These fees and taxes must be paid annually by the last day in February or within 60 days after entry into the state. Dealer aircraft are exempt from the lieu tax if the aircraft is flown for demonstration flights only. An aircraft which is not airworthy is also exempt if a proper exemption affidavit is filed. The revenues collected are deposited in the state aviation fund and can only be used for construction, development and improvement of publicly owned airports throughout the state.

Aircraft registration has experienced a very rapid rate of growth since 1976. The number of registered aircraft has increased by 46%, while collections during this same period have increased 422%. Revenue projections for 1983 indicate over \$2,400,000 will be collected.

Often, the only manner in which a tax can be collected is to issue lien and seizure in accordance with A.R.S. 28-1762. During 1982-1983, 327 liens were issued, and 166 Aircraft seized for non-payment of taxes.

This section works closely with all the law enforcement agencies. Registration records are helpful in determining true ownership and historical ownership of an aircraft, as well as its base of operations. This section has developed a reputation for having the most current ownership information available. FBI agents are relying on us quite heavily for ownership information.

The aircraft registration has been successful in getting banks and lending agencies to rewrite their manuals on aircraft loans to check with the Division to ensure an aircraft is properly registered with the state. This has been very beneficial to the lending agencies, the prospective buyer and the Division.

The on-line automated records system has proven very beneficial to the registration section. All changes can be made as they are received, thus assuring more accurate records.

Further progress is realized with our records being funneled through Arizona Department of Public Safety computers and being sent state-wide. This gives all law enforcement access to the works past office hours.

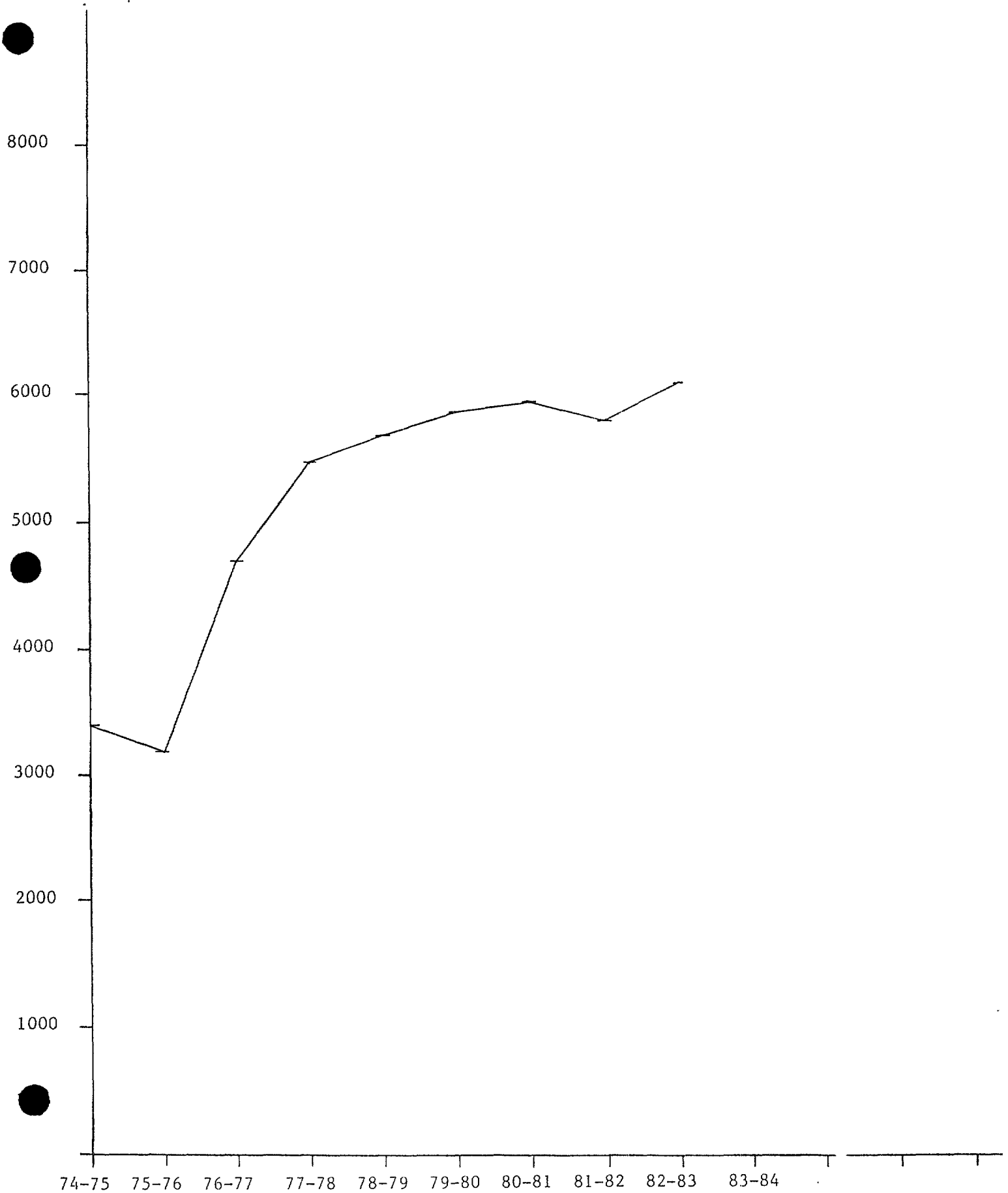
Registration information is given out on aircraft to consultants, engineering firms and various planning groups for future planning and forecasting.

FISCAL YEAR 1982-1983

Number of Aircraft Registered - 6,062

Balloons	89
Gliders	108
Antiques	204
Experimentals	113
Helicopters	167
Land Planes	5,212
Agricultural Planes	116
Army Surplus	53

FIG. #5
ADOT - AERONAUTICS DIVISION
NUMBER OF AIRCRAFT REGISTRATIONS



AIRCRAFT REGISTRATION DATA

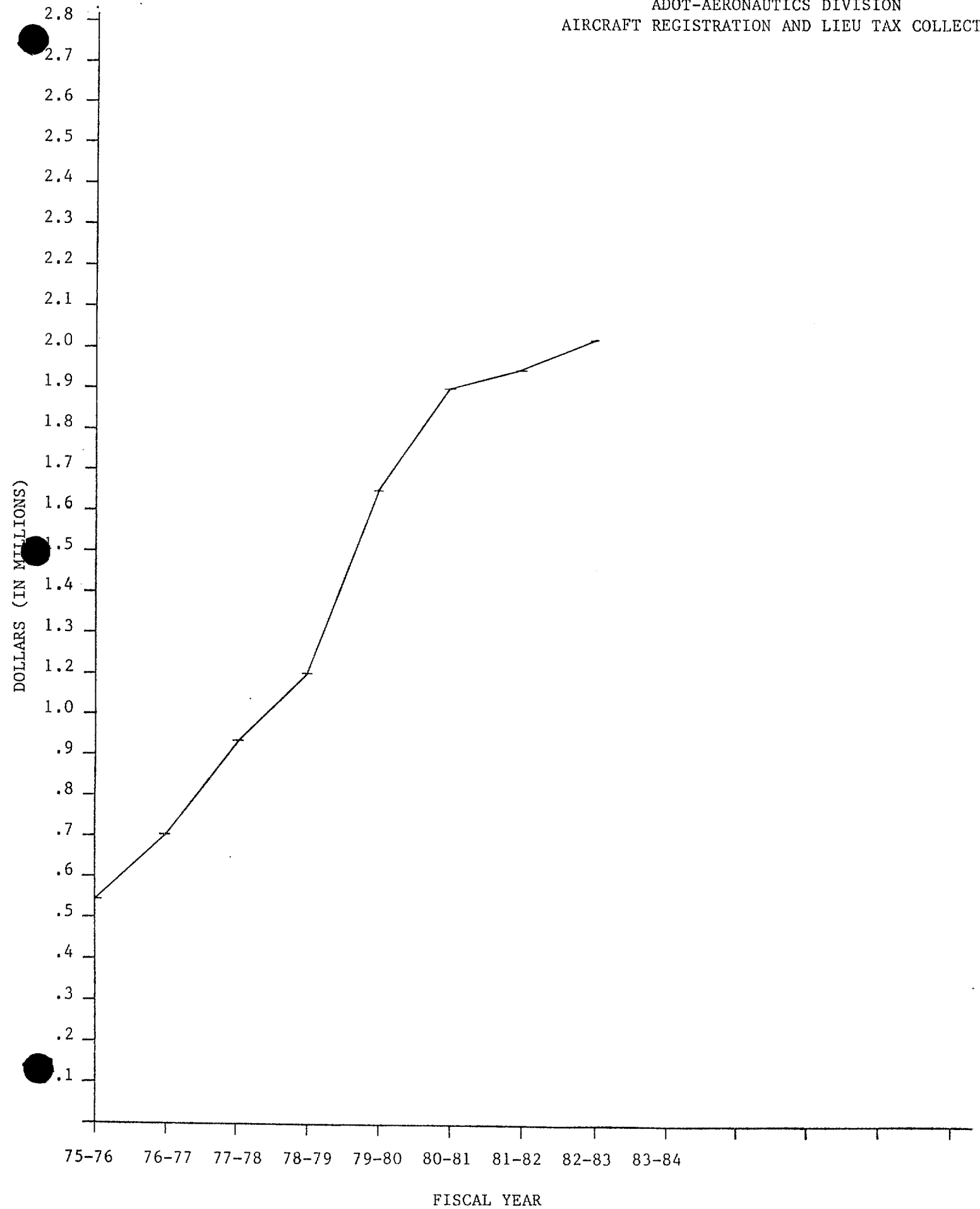
<u>Fiscal Years</u>	<u>Aircraft Registered*</u>	<u>Aircraft Lieu Tax</u>	<u>Aircraft Registration Fees</u>	<u>Penalty</u>	<u>Interest</u>	<u>Total Revenue From Lieu Tax & Registration Fees</u>
66-67	1,386		5,132			5,132
67-68	1,541		5,037			5,037
68-69	1,795	103,528	8,818			112,346
69-70	2,135	150,058	10,876			160,930
70-71	2,499	160,731	12,248			172,979
71-72	2,945	210,202	15,238			225,440
73-74	3,283	239,821	16,308			256,129
73-74	3,463	424,776	18,641			443,417
74-75	3,487	468,546	19,590			488,136
75-76	4,073	511,330	19,585			530,915
76-77	4,372	699,569	22,213	15,510	2,864	740,156
77-78	5,131	941,568	23,129	9,295	1,668	660
78-79	5,289	1,264,776	24,972	10,800	1,409	1,301,957
79-80	5,403	1,608,107	26,156	19,372	5,123	1,658,757
80-81	5,846	1,851,033	27,460	18,662	8,374	1,905,649
81-82	6,009	1,904,154	27,276	19,764	9,210	1,960,405
82-83	6,062	1,949,822	28,210	25,807	15,267	2,019,106

*Excluding Dealers and stored aircraft - calendar data

* Estimated

Sources - Aeronautics Division, Arizona Department of Transportation

FIG. #6
ADOT-AERONAUTICS DIVISION
AIRCRAFT REGISTRATION AND LIEU TAX COLLECTI



ADMINISTRATION

This section is responsible for the day-to-day operation of the Division. The activities of the Division Director and the Deputy Division Director are included under this section. The Administrative Section is continually involved with a wide spectrum of aviation issues which range from answering inquiries from the public to involvement in national issues of major significance to the aviation community. Activities during the past year have resulted in greater public awareness of aviation, greater airport sponsor involvement with their airport and aviation issues, and more assistance being given to aviation groups. As an example, the Division supplied the staffing requirements for the Governor's Aviation Futures Task Force.

On a national level, the Division Director was elected First Vice-President and is serving on the National Association of State Aviation Officials (NASAO) Board of Directors. This activity has led to involvement in formulation of Airport Development Aid Program funding legislation; a critical analysis of the Civil Aeronautics Board (CAB) has been developed for re-directing efforts in air service cases; and a review of the national infra-structure. As chairman of the NASAO Community Liason Committee, an emphasis has been placed on the local aviation community of each state in developing communications and awareness of legislative and regulatory changes which might affect them. As Chairman of the NASAO Helicopter and Heliport Committee, a greater awareness of the advantages and limitation of helicopters has been developed with other states and strategies for assisting the helicopter industry and user have been explored. In addition, the Division Director has served on the U. S. Congress, Office of Technology Assessment Airport System Development Advisory Panel, which has developed a report critical of the FAA planning and airport development process and recommending changes.

The Administration Section supplies all support staff for the operational sections, including budget preparation, accounting and fiscal controls, management policy and direction. Also provided are all secretarial and clerical support, records management and personnel services within the Division. This section closely monitors the State Aviation Fund revenues and expenditures. The Aviation Fund receives revenue from a variety of sources, including:

- a. State aviation gas taxes which are taxed at 10¢ per gallon with 9¢ being refundable;
- b. State aircraft lieu tax on non-airline aircraft are concurrently assessed at 1% of the fair market value of the aircraft;
- c. All revenues from the operation of the Grand Canyon National Park Airport; and
- d. Excess funds on deposit are invested by the State Treasurer.

In addition, any Federal grants given to the Division are also listed as revenue, although, technically, can be considered reimbursement for expenses incurred.

The State Aviation Fund expenditures are approved through an annual budget cycle by the State Legislature. The Legislature approves an administrative budget, a Grand Canyon operating budget, and the remaining available funds in a lump sum amount to be used for airport construction and development.

The Transportation Board, through public hearings and a priority rating system, approve individual airport construction projects as published in the Five-Year Airport and Highway Construction Program.

The Administrative Section also has worked closely with the Transportation Planning Division in developing special planning studies, monitoring and analyzing proposed state and federal legislation, reviewing aviation activity forecasts, analyzing CAB proposals, reviewing local development (Land Use) proposals and assisting with the five-year airport construction program. The Planning Division has been responsible for the development of the State Airport System Plan - (SASP) - which is a statewide analysis of airports that was completed in 1978. The study investigated the requirements to ensure an adequate system to serve the future needs of aviation in Arizona.

Since that time, the plan has been continually updated to make it a working document rather than a planning document. Examples of the information updated and contained in the SASP include: activity forecasts of airports throughout the system, aerial photos of the airport and population forecasts of the adjacent communities.

AERONAUTICS DIVISION
ADMINISTRATION
REVENUE AND EXPENDITURES

1977-1983

	<u>1977-1978</u>	<u>1978-1979</u>	<u>1979-1980</u>	<u>1980-1981</u>	<u>1981-1982</u>	<u>1982-1983</u>
REVENUE:						
Aviation Fuel Tax	\$ 280,000	\$ 334,000	\$ 316,000	\$ 441,000	\$ 380,600	\$ 314,639
Aircraft Lieu Tax	935,000	1,268,000	1,614,000	1,858,000	1,898,600	2,009,548
Aircraft Reg. Fee	34,000	35,000	46,000	48,000	47,200	55,600
Misc. & Investments	<u>193,000</u>	<u>217,000</u>	<u>375,000</u>	<u>479,000</u>	<u>380,000</u>	<u>395,400</u>
TOTAL	\$1,442,000	\$1,854,000	\$2,351,000	\$2,826,000	\$2,706,400	\$2,775,187
PERCENT OF INCREASE	37.8%	28.6%	26.8%	20.2%	(4.2%)	2.5%
EXPENDITURES:						
FTE	\$ 10	\$ 10	\$ 11	\$ 12	\$ 14	\$ 14
Personal Services	140,000	148,800	153,500	232,400	269,200	292,500
ERE	26,200	28,100	29,100	45,800	48,800	55,600
Professional & Outside	14,800	32,400	29,100	32,300	25,000	5,000
Travel In-State	8,300	9,100	10,800	12,100	8,800	10,600
Travel Out-of-State	2,500	6,200	7,780	5,200	6,200	8,900
OOE	34,600	54,650	43,470	57,500	43,700	57,000
Capital	0	700	150	0	0	0
Reimbursement to Hwy. Fund	<u>35,000</u>	<u>20,000</u>	<u>20,000</u>	<u>64,500</u>	<u>69,000</u>	<u>56,400</u>
TOTAL	\$ 262,000	\$ 299,950	\$ 293,000	\$ 450,000	\$ 470,700	\$ 486,000
PERCENT OF INCREASE	55.5%	14.4%	1.5%	53.5%	4.6%	3.2%
AIRPORT DEVELOPMENT	514,000	443,000	1,617,000	2,731,000	1,639,000	1,637,000
MISCELLANEOUS	4,000	2,000	0	16,000	11,000	8,700
TOTAL EXPENDITURES	780,000	744,950	1,910,000	3,197,000	2,120,700	2,131,700
NET INCOME (LOSS)	<u>\$ 662,000</u>	<u>\$1,109,050</u>	<u>\$ 441,000</u>	<u>\$ (371,000)</u>	<u>\$ 585,700</u>	<u>\$ 643,487</u>

HISTORICAL
AVIATION FUEL TAX DATA

<u>Fiscal Years</u>	<u>Gallons of Fuel</u>	<u>1¢/gal. Aviation Fuel Tax</u>	<u>Unclaimed/Unrefunded Aviation Fuel Tax</u>	<u>Total Revenue From Gas Taxes</u>
66-67	5,766,744		106,791	106,791
67-68	5,828,129		107,935	107,935
68-69	5,798,436		102,283	102,283
69-70	5,331,384	34,528	105,996	140,524
70-71	5,818,298	59,367	110,462	169,829
71-72	6,144,510	60,307	107,932	168,239
72-73	5,885,395	59,395	126,475	186,870
73-74	6,444,930	64,207	130,815	195,022
74-75	6,871,623	69,781	143,084	212,865
75-76	7,075,481	68,343	174,982	243,325
76-77	9,577,534	72,506	186,152	258,658
77-78	9,541,147	69,926	213,890	283,816
78-79	8,159,000	85,159	254,113	339,273
79-80	9,054,499	90,545	252,089	342,634
80-81	12,453,322	124,533	324,023	448,556
81-82	11,228,545	112,285	268,315	380,600
82-83	8,482,597	84,826	224,728	309,554

Sources: Aeronautics Division, Arizona Department of Transportation

GRAND CANYON NATIONAL PARK AIRPORT

The Aeronautics Division is responsible for the maintenance, operation and improvements of the only state-owned airport in Arizona. Located seven miles from the south rim, the airport was originally constructed with funds provided from the Department of Interior, the Federal Aviation Administration and the State of Arizona.

Today, it is the third most active air carrier airport in the state following Phoenix Sky Harbor and Tucson International. The airport is served by Republic Airlines and over 70 air taxi and commuter carriers. Annual aircraft operations decreased during the year to 93,429 and the total number of passengers for 1983 is estimated to be 467,150.

The airport is operated by an airport manager, a building maintenance supervisor and a supporting staff of seven employees. They are responsible for keeping the airport and all its facilities operational 24 hours a day throughout the year.

An administrative rule-making procedure was promulgated to establish rates and fees for airport users. Financially, in terms of operational expenses, the airport is firmly operating in the black. Revenue figures indicate the airport made \$395,300 during the fiscal year 1982-83. Construction was completed on the terminal facility which doubled the size of the building and increased auto parking. The taxiway and aircraft parking apron were crack sealed to extend their useful life.

COMPARISON OF AIRPORT STAFFING TO PASSENGER AND AIRCRAFT OPERATION VOLUMES
AT PHOENIX, TUCSON AND THE GRAND CANYON AIRPORTS
ON A FISCAL YEAR BASIS

PHOENIX-SKY HARBOR	<u>FY 79 - 80</u>	<u>FY 80 - 81</u>	<u>FY 81 - 82</u>	<u>FY 82 - 83</u>	<u>Employees</u>	Ratio of Employees to Current <u>Total Passengers</u>	<u>Operations</u>
Total Passengers	6,849,175	6,530,889	7,067,662	8,133,075		21,963 to 1	
Total Operations	400,945	359,612	349,663	338,100	370.3 + police and other support		913 to 1
FY - City thru June 30, 1983							

<u>TUCSON</u>	<u>FY 79 - 80</u>	<u>FY 80 - 81</u>	<u>FY 81 - 82</u>	<u>FY 82 - 83</u>	<u>Employees</u>		
Total Passengers	1,861,976	1,720,979	1,707,176	1,850,997		12,340 to 1	
Total Operations	304,869	284,534	249,645	234,581	150 + part time		1,564 to 1
FY - Tucson thru Sept. 30, 1982							
*ADJUSTED - thru June 30, 1983							

<u>GRAND CANYON AIRPORT</u>	<u>FY 79 - 80</u>	<u>FY 80 - 81</u>	<u>FY 81 - 82</u>	<u>FY 82 - 83</u>	<u>Employees</u>		
Total Passengers	519,966	539,611	549,974	504,247		56,027 to 1	
Total Operations	96,290	99,928	101,847	93,379	9		10,375 to 1
FY-State, thru June 30, 1983							

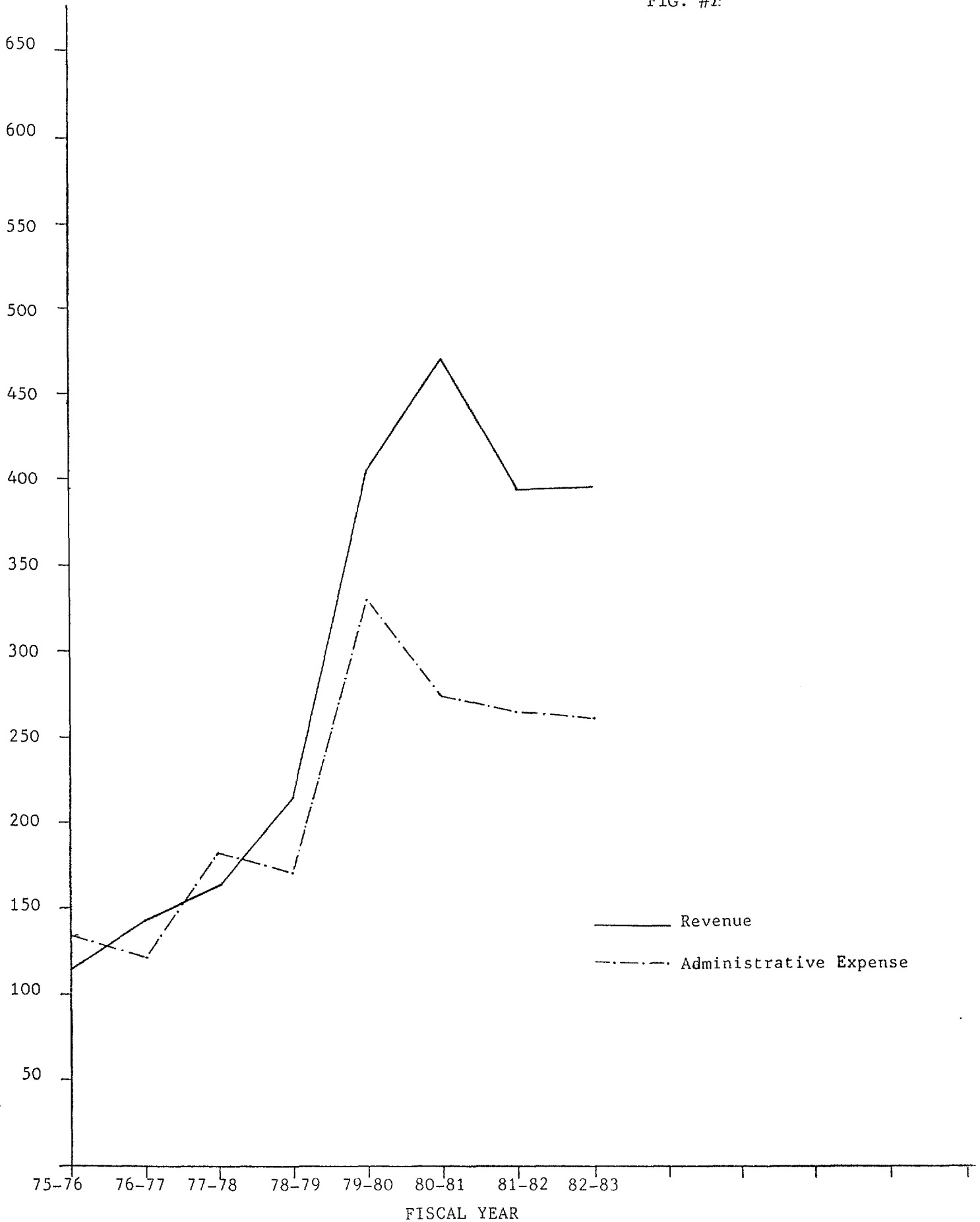
Re: Table on the Grand Canyon Airport

The estimated number of total passengers at the airport is shown in this table. The number has been estimated from the number of operations on an annual basis. The average type aircraft operating at the airport is a 10 passenger aircraft of the Cessna 414 category. Total passengers are defined as passengers getting on and off of aircraft at the airport. An operation is defined as a take-off or a landing.

Revised: October 1983

ADOT- AERONAUTICS DIVISION
GRAND CANYON OPERATIONS W200

FIG. #7:



HISTORICAL
GRAND CANYON AIRPORT
REVENUE AND EXPENDITURES
AIRCRAFT OPERATIONS AND PASSENGERS ENPLANED

	<u>1977-1978</u>	<u>1978-1979</u>	<u>1979-1980</u>	<u>1980-1981</u>	<u>1981-1982</u>	<u>1982-1983</u>
Revenue	\$ 152,000	\$ 213,000	\$ 404,000	\$ 476,800	\$ 390,000	\$ 395,300
Percent of Increase (Revenue)	9.3%	40.1%	89.7%	18.1%	(18.2%)	1.4%
Expenditures:						
FTE	6	6	6	9	9	9
Personal Services	66,111	73,570	95,840	120,300	120,400	128,170
ERE	16,105	19,040	21,860	28,000	22,890	24,350
Professional & Outside Svcs.	13,800	14,800	15,640	15,600	8,590	2,420
Travel In-State	900	900	500	600	200	360
Travel Out-of-State	375	200	1,635	2,600	1,000	0
Other Operating Expenditures	41,620	50,250	55,195	106,200	116,320	107,860
Capital Equipment	<u>30,850</u>	<u>1,700</u>	<u>135,350</u>	<u>2,400</u>	<u>0</u>	<u>2,420</u>
Total Expenditure	\$ 169,761	\$ 160,460	\$ 326,020	\$ 275,700	\$ 269,400	\$ 265,580
Percent of Increase (Expense)	36.8%	(5.4%)	103.2%	15.4%	(2.3%)	(1.4%)
Net Income (Loss)	<u>\$ 17,761</u>	<u>\$ 52,840</u>	<u>\$ 77,980</u>	<u>\$ 179,800</u>	<u>\$ 120,600</u>	<u>\$ 129,720</u>
Grand Canyon Airport						
Annual Aircraft Operations	49,803	66,420	96,290	100,354	101,847	93,429
Percent of Increase (Decrease)	8.2%	33.3%	44.9%	4.2%	1.5%	(8.3%)
Estimated Annual Passengers						
Enplaned	249,015	332,100	481,450	501,770	509,235	467,145
Percent of Increase (Decrease)	8.2%	33.3%	44.9%	4.2%	1.5%	(8.3%)

AIR SERVICE

The Air Service section is responsible for the orderly development of the air transportation system serving the state. This section assists both communities and airlines in air service matters which are of regional or statewide significance. It coordinates the development and makes policy recommendations concerning the state's position in relation to air service legislation, administrative rulemaking and legal proceeding before the Civil Aeronautics Board (CAB), the Department of Transportation (DOT), or Congress. The Air Service section works with other state agencies to ensure common directions are taken in the promotion and improvement of air service.

Civil Aeronautics Board:

Since 1978, there have been dramatic changes brought about as a result of the Airline Deregulation Act. Prior to its enactment, ADOT was active in both domestic and international route awards, along with the federal certification proceedings of Cochise and Skywest Airlines, a legal process which took more than three years.

Since that time, the section has primarily been concerned with the Essential Air Service (EAS) guarantees to small communities provision of the Airline Deregulation Act. The eight communities of Flagstaff, Grand Canyon, Kingman, Page, Prescott, Winslow, Douglas and Yuma were assisted in seeking EAS determinations from the CAB. During fiscal year 82-83, seven points were reviewed for adjustment. Kingman and Prescott were successful in gaining higher levels of service. The State supported the request of Golden Pacific Airlines for increased service levels based upon its traffic levels for the first six months of service at the two points. Responses were coordinated with the communities.

ADOT also worked very closely with the City of Page in its carrier selection proceeding. An in depth market analysis was prepared for the community and submitted to the CAB. The Board supported the State's recommendations on seat pre-emption problems and how subsidy could be minimized by permitting regional traffic flow with one stop service to both Phoenix and Las Vegas.

A letter was prepared to the CAB Chairman regarding the Board's administrative handling of the eligibility denial of the Douglas EAS case. The Chairman recommended an appeal be filed. However, it was felt another three year appeal process similar to the Prescott/Kingman case was not in the best interest at this time.

CAB fitness cases of commuter cases were monitored, along with the Board enforcement action of operators flying without proper insurance. The Air Service section also met with existing and potential commuter operators to provide them with current information on the feasibility of developing or improving service.

The monitoring of enplanement activities at various airports led to amendments in Federal Aviation Administration entitlement funds. Efforts were coordinated with the Grand Canyon Airport, Page, Prescott, and Yuma.

Assistance was also provided to the Economic Development Committee of the Governor's Aviation Futures Task Force.

Regarding international affairs, the State was successful in getting Phoenix reinstated as a priority destination with the United States delegation in the U.S./Canadian bilateral talks. Actions were coordinated with the Phoenix Chamber of Commerce.

AVIATION FIELD REPRESENTATIVE

This Section is responsible for the dissemination of aviation information, air safety, aerospace education and assisting in air service analysis. The position also includes attendance at aviation function safety seminars, membership in the Aviation Safety Advisory Group and coordination with the Civil Air Patrol.

The Aviation Field Representative edits and arranges for publication of the newsletter, "Aviation", as well as arranges for the printing of the Aeronautical Chart, Arizona Airport Directory and other aviation related information.

Aeronautical chart publication was reinstituted in 1979 and has been greatly appreciated and respected as a flying tool by the aviation community. This years chart features large scale area charts for the Phoenix and Tucson areas, military approaches and departures and general aviation VFR flyways.

Additional activities include: research and writing for special proposals, responses and reports as needed in areas of expertise. The State and Regional Defense Airlift Program is maintained and updated on a regular basis by this Section.

Past efforts in 1982-83 concentrated on legislation, helicopters, heliports, Aviation Futures Task Force and Arizona Aviation Week. Additionally, the Aeronautics Division sponsored four safety seminars in Phoenix, Tucson and Prescott. In order to enhance this program, a plan was conceived to have monthly seminars for 1983-84.

During 1982-83, additional emphasis was placed on coordinating the Arizona Airspace Utilization Committee, the informal Airspace Users Committee, participating on the Heliport Committees for: The National Association of State Aviation Officials, Arizona Chapter of the American Helicopter Association International.

PUBLICATIONS

Aviation

"Aviation" is the official publication of the Arizona Department of Transportation, Aeronautics Division and is distributed monthly to Arizona aircraft owners, aviation organizations, in-state news media, federal and state agencies, aviation publications and airline representatives.

The purpose of the publication is to disseminate information on safety, airport development projects, news and activities from the local aviation organizations as well as national news affecting aviation.

Arizona Aeronautical Chart

The Arizona Aeronautical Chart is published annually and distributed through commercial flight operators and airport sponsors. The chart is for aerial navigation and flight planning by providing complete coverage of Arizona, Phoenix and other information relevant to flying around the state.

Progress Report

The annual report is a composite of the activities of the Aeronautics Division over the preceding fiscal year.

Accident-Incident Review

In cooperation with Accident Prevention Program, the Aeronautics Division publishes a quarterly review on all aircraft accidents and incidents occurring within the previous two months. The four page bulletin is distributed to all Arizona pilots.

Helicopter Facts

A booklet on the basic questions a person may ask concerning a helicopter and how it flies. It is designed as a public education tool during helicopter displays or upon request from an individual.

CIVIL AIR PATROL

The Department is responsible for contracting for air search and rescue. The Aeronautics Division is responsible for the administration of an annual general fund appropriation to the CAP to aid in search and rescue missions carried out in conjunction with the Emergency Services Division.

During the past three years, the Civil Air Patrol conducted the following activities:

	<u>1978-79</u>	<u>1979-80</u>	<u>1980-81</u>	<u>1981-82</u>	<u>1982-83</u>
Missions	38	30	36	32	12
Sorties	425	443	150	416	74
Finds	12	13	13	14	1
Hours Flown	998	1,098	286	842	216
Number of Aircraft	11	15	15	14	14

Arizona Wing Civil Air Patrol has a total of 18 vehicles assigned to support the Search and Rescue Mission.